

## **News Release**

### **KENTUCKY OFFICE OF INSURANCE LAUNCHES INSURE U Public education effort to help consumers get smart about insurance**

FRANKFORT, Ky. (May 8, 2006) – The Kentucky Office of Insurance (KOI) today launched a comprehensive public education program to assist consumers with information about insurance issues. Under the banner of Insure U, the campaign has two objectives: to help consumers get smart about insurance as their needs change at different life stages, and to educate them about how to avoid being scammed by fake insurance companies. The program includes an online education site and public service announcements in English and Spanish. The nationwide initiative is being coordinated by the National Association of Insurance Commissioners (NAIC).

The Insure U curriculum, available at [www.insureUonline.org](http://www.insureUonline.org), includes a basic introduction to the four major types of insurance – auto, home, life and health – as well as special considerations for young singles, young families, established families and empty nesters/seniors. Consumers can test their knowledge about insurance by taking an online quiz. Upon successful completion, they can download an Insure U diploma.

“For many consumers, understanding insurance and determining what kind of coverage they need to protect themselves and their families can be very difficult,” said Glenn Jennings, KOI executive director. “State insurance departments across the United States have embraced Insure U as a powerful, coordinated initiative to help consumers make smarter insurance decisions.”

According to the NAIC, recent consumer research identified erroneous perceptions and misunderstanding about insurance basics at every life stage.

Key findings of the research are:

- 20 percent of young singles say they would let their auto insurance policies lapse to save money and 18 percent would decline employer health insurance to save money.
- Fewer than half of young families have life insurance purchased on their own for either spouse.
- More than half of respondents in established families did not understand the terms under which they can elect to continue their health coverage under their old employer’s policy if they leave a job, as stipulated under COBRA law (Consolidated Omnibus Budget Reconciliation Act).
- Only 12 percent of empty nesters/seniors think they are very likely to need long-term care, and they significantly underestimate the cost of such care.
- Only 45 percent of consumers overall get suspicious about the No. 1 warning sign associated with fake insurance: a policy that costs significantly less (i.e. 15-20 percent less) than other policies with comparable coverage.

“Insure U broadens our commitment to consumer education and reinforces our initiatives to help consumers avoid being duped by insurance scams,” said Jennings.

Fighting fake insurance is the focus of a new TV public service announcement featuring Jennings. It encourages consumers to call KOI prior to purchasing an insurance policy to confirm that they are dealing with a real insurance company authorized to do business in their state.

Consumers with insurance questions or complaints can call KOI at 1-800-595-6053.

KOI is an agency of the Environmental and Public Protection Cabinet.